

# STATE OF ALASKA

## TIRE FEES CERTIFICATE OF USE

### INSTRUCTIONS

#### General Instructions:

Tire fees are imposed on the sale in the state of Alaska on all new tires (whether studded or not) for motor vehicles *designed* for use on a highway. [The fact that a tire may be used on dirt roads or in areas where no highways exist is not grounds for exemption.]

However, sales to a federal, state, or local government agency for official use are exempt. Official use means, for example, that the tire is placed on a motor vehicle owned and operated by the exempt agency for use in furtherance of its exempt purposes. Official use does not include a sale to a government contractor for use in performance of a contract with the agency, nor does it include placement of a tire upon a private vehicle not owned by the exempt agency.

Sales for resale are also exempt. These are sales where the buyer intends to sell the acquired property to another person in the normal course of business. This includes the sale by a manufacturer to a distributor, a sale between distributors, and a sale by a distributor to a retail dealer.

These exemptions are carried out through the execution by the exempt person, or employee of the exempt person, of a certificate of use. The seller of the tire or service must obtain this certificate at the time of the sale or the transaction is subject to the fee. Only one "Annual Purchase Certificate" is required from an exempt agency or reseller. However, the certificate must be renewed by the exempt agency or reseller each calendar year and is retained by the seller for three years. A certificate of use is not required to replace a defective tire, for the sale of a used tire, or for the sale of a tire for a motor vehicle that is not designed for use on a highway.

A seller may obtain a certificate of use for any sale if the seller has reason to question the exempt nature of the transfer. Such a certificate of use would be a "Single Purchase Certificate." The seller must maintain the certificate for three years. A properly prepared and signed certificate of use relieves a seller from any potential liability.

A tire seller should refer to the statute, AS 43.98.025, for further guidance.

#### Line by Line Instructions:

##### Line 1.

- For sales to an exempt government agency, enter the name of the agency.
- For sales to another person for resale, enter the business name of the reseller.
- For other sales, enter the name of the individual taking delivery.

##### Line 2.

Tire Seller: check the box which applies.

- Single Purchase Certificate is checked for one-time sales to an exempt person.
- "Calendar Year Multiple Purchase Certificate" is used when the sale is to a government agency or reseller who will have multiple transactions during the calendar year.

##### Lines 3, 4, 5, 6, and 7.

Enter the mailing address and telephone number of the exempt government agency, the reseller, or the other person.

##### Lines 8, 9, and 10.

Check one appropriate box (either Line 8, Line 9, or Line 10):

Line 8. If this is a Government Agency Exemption, check the applicable box.

Line 9. Check the box if this is a Tire Reseller exemption. The reseller must provide the requested information on lines 9a and 9b or the transaction is not exempt from the fee.

**9a.** Enter on Line 9(a) the Alaska business license number and

**9b.** Enter the EIN or SSN of the reseller.

Line 10. Check the box if the tire is only to be used on a vehicle not designed for highway use.

Line 11. The individual taking delivery of the tire or service, NOT the seller, must attest to the nature of the transaction under the penalty of perjury. The signature of the person taking delivery of the exempt tire/s is required.

Line 12. Fill in the date the certificate was signed.

Lines 13 through 15. Print the name of the person signing the form and taking delivery of the tires, the title of that person and that person's telephone number.